Prince Edward Island
Development Agency

Annual Report 1986

87-04454/

Prince Edward Island Development Agency

Annual Report 1986

Role and Objectives

The Prince Edward Island Development Agency is a provincial crown corporation established in 1984 with the proclamation of the Prince Edward Island Development Agency Act.

The role of the Agency is to stimulate the growth of economic development and create long-term jobs by promoting new and expanded business activity consistent with the government's economic development strategy. This role is carried out through the provision of a wide range of financial, marketing, property management and planning programs and services.

The Board of Directors of the Agency is chaired by the Minister of Industry and includes eight private-sector business leaders. In addition to public-private partnership as represented by the Board, each of the Agency's three operating divisions is supported by an advisory committee from the private sector.

More specifically, the Agency's overall objectives are to develop, sustain and improve business activity in the province and to promote Prince Edward Island as a location for new or expanding economic activity. The Agency's three divisions carry out specific activities related to these objectives.

The Planning Division initiates and carries out research and development projects and provides advice to the Chief Executive Officer, the Board and to government on economic development policies, programs and opportunities.

The Development Division encourages the startup and expansion of manufacturing enterprises and diversification of the Island's economy through the provision of financing, financial incentives and industrial facilities.

The Marketing Division encourages development and expansion of markets for the Island's natural and manufactured products. In doing so it provides both technical personnel and financial assistance to producers, processors and manufacturers with an interest in the developing of new or the marketing of existing products and, at the same time, co-ordinates the planning and implementation of marketing projects sponsored by the province.

Chief Executive Officer's Report

Honourable Leonce Bernard
Minister of Industry
Province of Prince Edward Island
Charlottetown, P.E.I. C1A 7N8

Dear Mr. Minister:

I am pleased to present, on behalf of the Board of Directors of the Prince Edward Island Development Agency, our second Annual Report, including the audited financial statements for the year ended March 31, 1986.

The level of activity under the Agency's programs in fiscal 1985 continued through 1986 and is expected to remain at the same level throughout the coming year. The emphasis in Development Division programs shifted somewhat from direct financing (term, venture capital and working capital loans and guarantees) to the accessing of private dollars for investment in eligible P.E.I. businesses as is evidenced by the registration of 12 Small Business Development Corporations during the past year. The $448,010 approved by the Agency under this program represents a 30% grant on the total investment in local business of over $1,493,000 by Islanders and is tangible evidence of the interest and commitment to development of local industry by Islanders.

During the year 89 applications for assistance were considered by the Development Division versus 77 in the previous year. Sixty-four applications were approved for projects, which are expected to create 288 jobs, compared to 331 in the previous year. Twenty-one of the thirty applications for financing were approved totalling $4,130,000 which compares to $8,294,899 in the previous year. Forty-three of fifty-nine applications under the incentive and equity programs were approved totalling $1,886,660 versus forty-one of fifty totalling $1,815,347 in the previous year. The Investment Incentive program activity increased during the year with $822,328 being provided to Island industries for job creation versus $626,867 in the previous year. The Agency recognized losses on four investments, however, the assets of three of the companies involved were reactivated with prospects for future growth.

The Marketing Division of the Agency had another banner year, providing almost $1,000,000 in cost shared projects to assist Island processors and manufacturers in the promotion of their products. Of the 395 projects initiated in 1985-86, five exceeded $25,000 and 32 projects exceeded $5,000. The balance of 363 projects give evidence to the valuable role the Marketing Division plays with small producers, processors and manufacturers.

Although all of the Marketing programs are utilized by clients, an emphasis over the past year has been in trade show activity and in particular, product development. Trade shows provide an opportunity for direct contact with potential buyers as compared to the impersonal uncertainty of other methods. The consulting time given by our staff to clients is a major contributor to their successful marketing of products in this regard. In product development the Marketing Division has had a major involvement in the development of a recently marketed yoghurt product and in cheese whey utilization. The Division also had input into the Potato Utilization paper presented by the Agency. Again this year, our product development has enjoyed its greatest success working "on-line" with Island processors.

During the past year, the Marketing Division has initiated the establishment of a new Resource Centre. Although still in infancy, it is the source of all our market research and product information and will be available to clients on request. Through data links, we will also access marketing information including patent information currently only available through Ottawa.

The Planning Division has been involved in a wide range of activities, including the development of a Science and Technology strategy for the Island to ensure that Islanders access and utilize new technologies and scientific knowledge in a manner that revitalizes our traditional industries, creates opportunities for new industries, and generally enhances the economic and social well-being of Islanders.

The Planning Division co-ordinated a number of efforts to stimulate new business and investment in P.E.I. such as examining ways to maximize business spin-offs from the Vet College.

The Division has been involved in a variety of areas such as developing a recommendation supporting the adoption of Personal Property Securities legislation in the Province, preparing reviews of various government task force studies, and attending several conferences including the World Congress on Education and Technology in Vancouver and Opportunities Canada in Toronto. Planning staff also represented the Province on the Federal-Provincial task force on investment and interprovincial trade barriers, which will have a direct effect on the upcoming Canada-U.S. trade talks.

As I will not be renewing my contract with the Agency, I wish to express my appreciation to the Directors, Committee members and staff of the Agency for their dedication and assistance over the past two years. I would also like to extend to you and the Provincial Government best wishes for the future development of economic opportunities, strategies and programs as the Agency continues to stimulate economic and market development and long-term employment in our Province.

Respectfully submitted,

George D. Wright
Chief Executive Officer

Financing Approved to Establish or Expand Island Businesses

In Fiscal Year Ended March 31, 1986

	1986		1985	
	No.	$	No.	$
Economic Sector				
Agriculture	5	385,000	10	1,120,429
Fisheries	6	1,996,500	4	1,520,000
Industry	10	1,748,500	18	5,654,470
	21	4,130,000	32	8,294,899
Size of Approval ($)				
0 - 49,999	8	198,500	11	336,120
50,000 - 99,999	5	355,000	5	374,029
100,000 - 249,999	3	483,000	4	519,500
250,000 - 499,999	3	1,093,500	7	2,272,000
500,000 - 1,000,000	1	750,000	3	2,186,250
Over 1,000,000	1	1,250,000	2	2,607,000
	21	4,130,000	32	8,294,899
Type of Assistance				
Guarantee	5	1,525,000	4	2,145,000
Term Loan	12	2,415,000	23	4,587,899
Venture Capital Loan	1	70,000	3	1,497,000
Other	3	120,000	2	65,000
	21	4,130,000	32	8,294,899
Purpose of Financing				
Establish new business	6	1,705,000	17	6,047,970
Expand existing business	15	2,425,000	15	2,246,929
	21	4,130,000	32	8,294,899

Development Incentives Approved to Establish or Expand Island Businesses

In Fiscal Year Ended March 31, 1986

	1986		1985	
	No.	$	No.	$
Economic Sector				
Agriculture	11	454,226	9	266,158
Fisheries	6	573,251	4	655,021
Industry	26	859,183	28	894,168
	43	1,886,660	41	1,815,347
Size of Approval ($)				
0 - 4,999	4	13,150	2	6,040
5,000 - 9,999	10	70,330	7	51,464
10,000 - 24,999	4	64,584	16	259,207
25,000 - 49,999	11	387,476	8	312,178
50,000 - 99,999	7	456,869	4	321,115
Over 100,000	7	894,251	4	865,343
	43	1,886,660	41	1,815,347
Type of Assistance				
Investment Incentive	12	822,328	17	626,867
Pre-Venture	6	31,325	5	48,900
Rental Incentive and Mall Program	7	159,372	15	362,987
Small Business Equity	5	395,000	1	31,250
Small Business Dev. Corp.	12	448,010	—	—
Venture Capital	1	30,625	3	745,343
	43	1,886,660	41	1,815,347
Purpose of Assistance				
Establish new business	23	1,116,694	28	1,246,614
Expand existing business	20	769,966	13	568,733
	43	1,886,660	41	1,815,347

Marketing Assistance Approved to Develop and Expand Markets for Island Products

In Fiscal Year Ended March 31, 1986

	1986		1985	
	No.	$	No.	$
Economic Sector				
Agriculture	83	374,565	93	398,700
Fisheries	91	157,092	92	297,575
Industry	153	352,375	187	370,245
General	68	253,020	44	127,550
	395	1,137,052	416	1,194,070
Size of Approval ($)				
0 - 4,999	363	459,332	389	508,630
5,000 - 9,999	12	89,470	7	41,900
10,000 - 24,999	15	237,650	13	193,480
25,000 - 49,999	3	124,700	5	200,560
50,000 - 99,999	1	70,500	1	90,000
Over 100,000	1	155,400	1	159,500
	395	1,137,052	416	1,194,070
Type of Assistance				
Advertising and Promotion	99	199,685	97	411,290
Market Development	46	52,447	53	94,525
Market Organization, Education and Management	54	306,175	46	141,350
Market Research	40	82,795	52	108,430
Product Development	63	178,060	68	199,930
Specialized Market Assistance	2	113,300	7	79,550
Trade Shows	91	204,590	93	158,995
	395	1,137,052	416	1,194,070

Businesses Assisted

In Fiscal Year Ended March 31, 1986

122394 Canada Inc.
Abegweit Seafoods Inc., Bellevue Cove
Acadian Fisherman's Co-op, Abram's Village
Advanced Lobster Technology, Victoria
Advanced Medical Technologies Inc., West Royalty
Alpha Productions, Montague
Amalgamated Dairies Ltd., Summerside
Andrews Hockey Growth Programs, Charlottetown
Anne Agencies Ltd., Summerside
Ap-Chem Inc., West Royalty
Arvi, Kai, Charlottetown
Ashley Cannery, Rosebank
Atlantic Fish Specialties Ltd., Parkdale
Atlantic Mussel Growers' Corporation, Murray River
Attic Cresting and Embroidery, West Royalty
Aqua Health Venture Ltd./Aqua Health Ltd., West Royalty
BDC Venture Trust Inc., Charlottetown
Babineau Fisheries Ltd., Morell
Barrett & MacKay Photographers, Charlottetown
Beach Point Fisherman's Co-op, Beach Point
Belfast Tobacco Growers Ltd., Belfast
Belle River Enterprises Ltd., Belle River
Bird, Sheila, Pleasant Grove
Blikslager, Gus, Vernon
British Woolen Knitters (Canada) Ltd., West Royalty
Bro Fairlady, Charlottetown
Butcher's Block Inc., The, Summerside
Camera Art, Charlottetown
Carratech Venture Limited Partnership/Carratech Inc., West Royalty
Cass Craft of P.E.I., Meadowbank
Cavendish Farms, New Annan
Charlottetown Metal Products Ltd., Milton
Chelwood Inc., West Royalty
Cobi Foods, Central Bedeque
Coles Door Systems, Winsloe
Common One Ltd., Charlottetown
Composite Technology, Summerside
Condon & Sons Ltd., William, Charlottetown
Connolly/Resnitzky, Charlottetown
Corners Candy, Charlottetown
Creative Esthetics Orthodontic Laboratory, West Royalty
Crispin Cones Ltd., Bedeque
Dawson Produce Ltd., Albany
Diagnostic Chemicals Ltd., West Royalty
Drag Inc., West Royalty
Eastport Chemicals Corporation, New Glasgow
Fraser's Potato Newsletter, Crossroads
Freeland Woodworking, Freeland
French River Cannery, French River
Galvin Productions, Summerside
Garden Province Meats Inc., Charlottetown
Georgetown Packers, Georgetown
Gorman Controls Ltd., South Melville
Groupe Capital Risque Baie Acadienne, Wellington Station
Growth Action Group, Summerside
Gustbusters, Charlottetown
Hall & Stavert Ltd., West Royalty
Hannelore Registered, West Royalty
Hardy Snacks, Alberton
Health Pasteurized Milk Co., Hunter River
Howard's Cove Seafoods Ltd., Howard's Cove
Ice King, Charlottetown
Integrated Aquatic Systems Ltd., Brookvale
Ionizing Energy of Canada, Summerside
Island Bean, Montague
Island Control Ltd., Charlottetown
Island Fiberglass Industries Ltd., Wilmot
Island Logger, Charlottetown
Island Metal Fabricators Ltd., West Royalty
Island Preserves, Charlottetown
Island Saltfish Inc., West Royalty
Island Winds, Breadalbane
Jarco Ltd., Albany
Johnston's Home Style Products Ltd., West Royalty
Keeping & MacKay, Murray Harbour
Ken-Bake Inc., Sherwood
L.P.T.V. & Stereo Service, Wellington
La Maison d'Europe, Charlottetown
Leoville Industries Ltd., Leoville
M & K Investments, Summerside
M & S Metal Works, West Royalty
MacAulay, Lawrence, St. Peters Bay
MacAusland's Woolen Mills Ltd., Bloomfield
Malpeque Oyster Growers, Malpeque Bay
Marenco Engineering Ltd., West Royalty
Marine Industries Ltd./Marenco, West Royalty

Commodity Boards, Marketing Boards, Associations and Government Departments Assisted

In Fiscal Year Ended March 31, 1986

Marine Lobster Farms Ltd., Victoria
McAskill Woodworking Ltd., Parkdale
McCardle Bros. Ltd., Kinkora
Me Fix, Tignish
Minegoo Indian Arts & Crafts Society of P.E.I., East Royalty
Mrs. Kenny's Bakery, Charlottetown
Murray Harbour Seafoods Inc., Murray Harbour
North Ocean Enterprises Ltd., Souris
Northumberland Chemicals Inc., Charlottetown
Northumberland Seafoods Ltd., West Royalty
O'Leary Produce, O'Leary
O'Meara, Gerald, Alberton
Orwell Studios, Orwell
P.C. Industries, Summerside
P.E.I. Milk Co., Charlottetown
P.E.I. Packers Ltd., Ebenezer
P.E.I. Potato Chip Co-op, Urbainville
P.E.I. Potato Services Ltd., Albany
P.E.I. Preserve Company, Charlottetown
Padinox Inc., West Royalty
Patty Palmer Designs, West Royalty
Peaceworks, Charlottetown
Polar Seafoods Ltd., Summerside
Precision Products & Services, West Royalty
Preferred One, Charlottetown
Primary Ventures, Summerside
Prince Edward Island Bag Company Ltd., Summerside
Pro Pak Ltd., Parkdale
Protronex Industries, West Royalty
Provincial Construction Ltd., Kensington
Pure Milk Co., Charlottetown
Queen's County Blacksmith Shop, Orwell Corner
Ragweed Press, Charlottetown
Rosebank Cannery, Rosebank
Schurman Company Ltd., M.F., Summerside
Seaman's Beverages Ltd., West Royalty
Shumates, The, Eldon
Sound Ventures, Sherwood
Souris Buttercup Dairy, Souris
Summerside Sea Products, Summerside
Summerside Seafoods Ltd., Summerside
Tannereye Ltd., West Royalty
Tesselaar, Gary, Grandview
Tin Shop, The, Breadalbane
Usen Fisheries Ltd., Souris
Vesey's Seeds, York
Video Atlantic Inc., West Royalty
Village Craft House, Central Bedeque
Walker's Seed Potato Service, Cardigan
Wendall Graham (1981) Ltd., Gaspereaux
Westech Agriculture Ltd., Alberton
Wevea Canada Limited Partnership, Montague

Farmers' Market Committee
Food Processors of Prince Edward Island
Holland College
Prince Edward Island Aberdeen Angus Breeders
Prince Edward Island Cole Crop Grower's Association
Prince Edward Island Court Carton Association
Prince Edward Island Craft Industry
Prince Edward Island Cultured Mussel Growers' Association
Prince Edward Island Egg Commodity Marketing Board
Prince Edward Island Fruit & Vegetable Growers' Co-Op
Prince Edward Island Hog Commodity Marketing Board
Prince Edward Island Lamb Co-Operative
Prince Edward Island Market Gardeners
Prince Edward Island Marketing Council
Prince Edward Island Milk Marketing Board
Prince Edward Island Organic Growers Association
Prince Edward Island Oystermen's Association
Prince Edward Island Potato Marketing Board
Prince Edward Island Seafood Processors' Association
Prince Edward Island Sheep Breeders' Association
Prince Edward Island Strawberry Growers' Association
West Prince Industrial Commission
Department of Agriculture
Department of Finance and Tourism
Department of Fisheries and Labour
Department of Industry

Auditors' Report to the Directors

May 28, 1986

We have examined the statement of financial position of Prince Edward Island Development Agency as at March 31, 1986 and the statement of operations for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Agency as at March 31, 1986 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Coopers & Lybrand

Chartered Accountants

Statement of Financial Position

As at March 31, 1986

Assets

	1986	1985
	$	$
Cash and Short-term Deposits	265,314	708,096
Accounts Receivable	347,033	343,546
Development Investments (note 3)	19,594,442	18,355,462
Investment in Subsidiaries (note 4)	16,626	9,550
Due from the Province of Prince Edward Island (Schedule A)		
—Current operations	—	53,694
—Provision for possible losses	4,179,311	3,149,287
	24,402,726	22,619,635

Liabilities

Accounts Payable and Accrued Liabilities	2 205,009	2,268,333
Due to the Province of Prince Edward Island (Schedule A)	428,672	—
Notes Payable (note 5)	21,760,745	20,343,002
	24,394,426	22,611,335

Equity

Contributed Capital from the Province of Prince Edward Island	8,300	8,300
	24,402,726	22,619,635

Signed on Behalf of the Board

Director

Director

Statement of Operations

For the Year Ended March 31, 1986

	1986 $	1985 $
Revenue		
Grants from the Province of Prince Edward Island	7,875,842	6,865,691
Interest from borrowers	1,723,223	1,292,086
Interest from deposits	115,935	49,618
Rentals from properties owned (net of rental subsidies of $252,365; 1985 - $189,630)	343,334	262,058
Recoveries from park operations	30,836	14,813
Service fees on new loans	30,734	27,409
	10,119,904	8,511,675
Expenses		
Incentive programs (Schedule B)	3,621,465	3,713,286
Administration (Schedule C)	1,774,249	1,541,309
Interest on funds borrowed	1,726,234	1,584,452
Property (Schedule D)	1,036,718	1,044,702
Provision for possible losses	1,539,642	677,991
	9,698,308	8,561,740
	421,596	(50,065)
Earnings (loss) of subsidiary corporations (note 4)	7,076	(3,629)
Excess revenue (expenses) for the year (Schedule A)	428,672	(53,694)

Notes to Financial Statements

For the Year Ended March 31, 1986

1. Accounting Policies

General

The financial statements of the Agency have been prepared in accordance with generally accepted accounting principles. The following is a summary of significant accounting policies used in the preparation of these financial statements.

Equity Investments

Investments made under the small business equity program are included on the statement of financial position as Development Investments. Effective in the current year one half of the investments approved are being accounted for as a small business equity development incentive on the statement of operations. Any recovery exceeding the balance in Development Investments will be taken into revenue when received.

Property Holdings

Property holdings are valued in total at the lower of cost, net of government grants, and anticipated realizable value. Accumulated interest is included in the cost of industrial sites. The industrial malls are amortized using the straight-line basis over 15 years, the same period as the related debt is being retired.

Net Investment in Leases

Certain buildings constructed for industrial companies are leased back with options for the companies to purchase the buildings after five years, and are carried at the cost of the property plus capitalized interest, net of lease payments.

Investment in Subsidiaries

The Agency records the investment in wholly-owned subsidiaries, Ward Holdings Ltd. and Garden Province Meats Inc., using the equity method of accounting. Accordingly, these investments are carried at cost plus accumulated earnings since acquisition.

In order to provide a more informative presentation of the operation of the Agency, the financial statements are not consolidated.

Equipment and Furniture

Furniture, office and maintenance equipment are expensed in the year of acquisition.

Provision for Possible Losses

A provision for possible future losses is determined annually based on historical collection experience and a review of the development investment portfolio. Interest revenue is not accrued on loans where a write-off is anticipated.

Incentive Programs

Incentive programs for the development division are included in accrued liabilities when approved and accepted. Marketing division programs are recorded only when funds are disbursed, since the total amounts are not determinable when such programs are initially approved. Estimated commitments for marketing division programs are disclosed in note 7.

2. Status of the Agency

The Agency was incorporated as a Crown Corporation in 1984 pursuant to the Prince Edward Island Development Agency Act.

The financial results of the Agency are included in the public accounts of the Province of Prince Edward Island.

3. Development Investments

	1986	1985
	$	$
Loans receivable	13,908,763	15,049,775
Equity investments - shares	975,555	799,930
Investments in —		
Garden Province Meats (1985) Inc. - shares at cost	1,900,000	—
G.P.M. Limited Partnership - at cost	10,000	—
	1,910,000	—
Property holdings		
Industrial sites	502,088	469,937
Land and buildings held for resale	3,623,083	1,150,896
Equipment held for resale	—	191,265
Industrial malls	2,111,120	2,273,510
	6,236,291	4,085,608
Investment in leases - net of unearned lease revenue of $1,187,438 (1985 - $3,580,367)	743,144	1,569,436
	23,773,753	21,504,749
Less provision for possible losses (Schedule A)	4,179,311	3,149,287
	19,594,442	18,355,462

4. Investment in Subsidiaries

Investment in subsidiaries are recorded on the equity method.

	1986 $	1985 $
Shares at cost		
2,500 Common shares - Garden Province Meats Inc.	2,500	2,500
2,500 Common shares - Ward Holdings Ltd.	2,500	2,500
Accumulated earnings since acquisition - Ward Holdings Ltd.	11,626	4,550
	16,626	9,550

Condensed financial information:

Ward Holdings Ltd. and Garden Province Meats Inc.
Condensed Balance Sheet

	Ward Holdings Ltd. $	Garden Province Meats Inc. $
Assets		
Current Assets	31,994	1,592,365
Due from Prince Edward Island Development Agency	—	319,483
Fixed Assets	1	36,777
	31,995	1,948,625
Liabilities		
Current Liabilities	17,869	1,946,125
Shareholder's Equity		
Capital Stock	2,500	2,500
Retained Earnings	11,626	—
	14,126	2,500
	31,995	1,948,625
Condensed Statement of Earnings		
Revenue	71,718	25,716,009
Expenses	64,642	26,739,875
	7,076	(1,023,866)
Grant from Prince Edward Island Development Agency	—	1,023,866
Net Earnings for the Year	7,076	—

5. Notes Payable

Notes are issued to the Province of Prince Edward Island and have various repayment terms and interest rates ranging from 10% to 14¼%.

6. Contingent Liabilities

As of March 31, 1986, the Agency was contingently liable under loan and bond guarantees in the amount of $5,479,932 (1985 - $2,517,756).

7. Commitments

Loans and equity investments approved but not disbursed at March 31, 1986 amount to $2,627,489 (1985 - $834,931).

The Agency has approved loan guarantees of $80,000 which were not utilized as at March 31, 1986 (1985 - $1,895,000).

The Agency is committed to cost sharing programs with clients. As at March 31, 1986, the estimated expenditure under these commitments is $210,000 (1985 - $195,000).

Schedule A

Amounts Due to and from the Province of Prince Edward Island

For the Year Ended March 31, 1986

Current Operations Due from (to) the Province

	1986 $	1985 $
Balance - Beginning of Year	53,694	(48,805)
Excess expenses (revenue) for the year	(428,672)	53,694
	(374,978)	4,889
Repayment (receipt) of previous year's excess	(53,694)	48,805
Balance - End of Year	(428,672)	53,694

Provision for Possible Losses Due from the Province

Balance - Beginning of Year	3,149,287	3,397,012
Current year's expense for possible losses	1,539,642	677,991
	4,688,929	4,075,003
Write-offs applied to reduce notes payable during the year	509,618	925,716
Balance - End of Year	4,179,311	3,149,287

Schedule B

Incentive Programs

For the Year Ended March 31, 1986

Development

	1986 $	1985 $
Investment incentive	762,916	561,970
Meat processing industry	1,071,025	1,647,195
Rental incentive	19,614	64,032
Pre-venture	31,325	48,900
Venture capital	286,857	235,499
Small business equity	189,375	31,250
Industrial facilities	40,948	150,266
Small business development corporations	448,010	—
Venture fund	—	67,405
	2,850,070	2,806,517

Marketing

Market development	41,117	78,817
Marketing plans	148,550	299,641
Product development	136,883	115,326
Market research	75,429	87,761
Advertising and promotion	118,172	36,881
Trade shows	150,746	118,483
Market organization, education, and management	94,258	88,979
Specialized market assistance	6,240	80,881
	771,395	906,769
Total Incentive Programs	3,621,465	3,713,286

Schedule C

Administration Expenses

For the Year Ended March 31, 1986

Planning

	1986	1985
	$	$
Salaries and benefits	125,833	42,523
Committee fees and expenses	7,891	3,951
Professional fees	107,270	101,337
Travel	30,529	7,955
UPEI research office	—	51,000
	271,523	206,766

Development

Salaries and benefits	337,369	294,799
Committee fees and expenses	20,212	21,153
Travel	25,875	25,374
Professional fees	63,155	65,509
	446,611	406,835

Marketing

Salaries and benefits	458,883	377,887
Committee fees and expenses	7,672	7,090
Travel	13,551	14,631
	480,106	399,608

General

Salaries and benefits	259,833	222,046
Directors' fees and expenses	21,160	26,679
General office	23,079	24,788
Telephone and telex	46,255	48,733
Equipment purchased	7,440	18,864
Premises	82,431	89,352
Equipment rental	28,235	29,265
Printing, stationery and postage	26,888	15,543
Conferences, memberships and publications	28,284	15,488
Professional fees	22,500	17,065
Advertising and promotion	12,736	8,914
Travel	13,893	10,548
Miscellaneous	3,275	815
	576,009	528,100
Total Administration Expenses	1,774,249	1,541,309

Schedule D

Property Expenses

For the Year Ended March 31, 1986

Rental Operations

	1986	1985
	$	$
Heat	26,851	28,656
Electricity	35,537	30,970
Maintenance	168,203	112,434
Insurance	23,034	19,564
Property taxes	14,879	32,464
Amortization of malls	162,390	171,789
Interest	228,158	244,455
Warehouse rental	—	35,527
	659,052	675,859

Park Operations

Snow removal	9,059	8,904
Water	22,311	20,939
Sewer	26,061	14,545
Fire alarm	5,208	6,064
Maintenance and grounds	29,454	10,816
Casual wages	9,852	12,061
Electricity	4,983	15,643
Miscellaneous	10,726	9,969
	117,654	98,941

Buildings Held for Resale

Heat	2,186	27,503
Electricity	3,677	7,454
Maintenance	23,421	19,937
Insurance	345	19,721
Property taxes	4,476	3,868
Interest	225,907	191,419
	260,012	269,902
Total Property Expenses	1,036,718	1,044,702

Corporate Directory

For the Year Ended March 31, 1986

Board of Directors

Hon. Wilbur MacDonald,* Orwell
Minister of Industry and Chairman

Pius Callaghan, Charlottetown
Journalist, Retired

Thomas L. DeBlois,* Charlottetown
Vice President/General Manager
DeBlois Food Distributors

George A. Key,* North Granville
Business Executive

Hon. Gordon Lank, North Wiltshire
Minister of Transportation and Public Works

David Loggie, Summerside
Manager, Canada Packers Shur-Gain Division

Harry MacAusland, Bloomfield
Secretary, MacAusland's Woolen Mills Ltd.

J. Norman MacLeod, Sherwood
President, Williams, Murphy & MacLeod (1971) Ltd.

Craig Norton, Bay Fortune
President, Norton's Autobody Ltd.

Hon. George R. McMahon, Q.C., Summerside
Minister of Justice and
Minister of Community & Cultural Affairs

William A. Rix,* Battery Point
Chairman, Charlottetown Metal Products Ltd.

Garth Staples, Suffolk
Deputy Minister, Department of Industry

George Wright,* Sherwood
Chief Executive Officer

* Member of Executive Committee

Advisory Committees

Planning

William A. Rix, Battery Point - Chairman
David Loggie, Summerside - Vice-Chairman
Regis Duffy, Charlottetown
Ab Ferris, Charlottetown
Harry Fraser, Hazelbrook
Henry Phillips, Fairview

Development

George A. Key, North Granville - Chairman
J. Norman MacLeod, Charlottetown - Vice-Chairman
Horace R. MacFarlane, Summerside
Keith MacKenzie, Souris
Randolph W. Manning, FCA, Charlottetown

Marketing

Thomas L. DeBlois, Charlottetown - Chairman
Pius Callaghan, Charlottetown - Vice-Chairman
Justin McNeill, Montague
Rundell Seaman, Jr., Tea Hill
Charles Yeo, St. Eleanor's

Audit

Randolph W. Manning, FCA, Charlottetown - Chairman
Horace R. MacFarlane, Summerside
Justin McNeill, Montague

Officers

Hon. Wilbur MacDonald, Chairman of the Board
Hon. Gordon Lank, Vice-Chairman
Hon. George R. McMahon, Q.C., Vice-Chairman
George Wright, Secretary-Treasurer and Chief Executive Officer
Ronald H. Atkinson, Executive Director, Marketing
A. James Casey, Executive Director, Development
Dale Turner, Executive Director, Planning
J. Reagh Hicken, Controller

Auditors

Coopers & Lybrand
Chartered Accountants

Banker

The Toronto Dominion Bank

Prince Edward Island Development Agency
West Royalty Industrial Park
Charlottetown, P.E.I. C1E 1B0
Telephone (902) 566-4222
Telex 014-44109